

United States Department of Justice
Office of the United States Trustee
110 N. College Avenue, Suite 300
Tyler, Texas 75702
(903) 590-1450

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE EASTERN DISTRICT OF TEXAS
SHERMAN DIVISION**

IN RE	§	
	§	
Danestar LLC	§	Case No. 22-41449
10205 Cedar Breaks Vw	§	
McKinney, TX 75072	§	
COLLIN-TX	§	
Tax ID / EIN: 83-3416076	§	Chapter 11
	§	
Debtor	§	
	§	

**UNITED STATES TRUSTEE'S MOTION TO CONVERT OR DISMISS WITH
PREJUDICE PURSUANT TO 11 U.S.C. § 1112(b),
OR IN THE ALTERNATIVE, FOR OTHER RELIEF;
WITH WAIVER OF 30-DAY HEARING REQUIREMENT**

PLEASE NOTE THAT THE COURT HAS SET THIS MOTION FOR HEARING:

HEARING: TUESDAY, APRIL 18, 2023, AT 1:30 P.M.

U. S. Bankruptcy Court
660 N. Central Expressway, 3rd Floor
Plano, Texas 75074

TO THE HONORABLE UNITED STATES BANKRUPTCY JUDGE PRESIDING:

William T. Neary, the United States Trustee for Region 6 (“U.S. Trustee”) hereby files in the above-numbered and captioned bankruptcy case (“Case”) his Motion to Convert or Dismiss with Prejudice Pursuant to 11 U.S.C. § 1112(b), or in the Alternative, for Other Relief (“Motion”) and respectfully states in support thereof:

Jurisdiction and Timeliness

1. This Court has subject matter jurisdiction under 28 U.S.C. §§ 1334, 157(a), and the standing order of reference. This is a core proceeding pursuant to 28 U.S.C. § 157. The predicate for the relief requested herein is Bankruptcy Code section 1112(b).

Background and Requested Relief

2. The Debtor filed the Case on October 28, 2022 (“Petition Date”), and elected treatment under subchapter V of chapter 11.

3. The Debtor has not filed a monthly operating report in the Case.

4. The Debtor has not paid U.S. Trustee fees in the Case.

5. Pursuant to 11 U.S.C. § 1189(b), the Debtor was required to file a plan of reorganization within 90 days of the Petition Date, or January 26, 2024, or obtain an extension of the deadline from the Court. The Debtor has not filed a plan of reorganization or obtained an extension from the Court.

6. Based on the Debtor’s administrative deficiencies and failure to meet required deadlines to successfully prosecute the Case, it appears the Debtor cannot use chapter 11 for the benefit of creditors. The U.S. Trustee also requests any dismissal to be prejudiced to re-filing under chapter 11 for a period of 180 days for cause.

WHEREFORE, the U.S. Trustee respectfully requests that the Court issue an order (a) converting the Case to chapter 7; (b) dismissing the Case with prejudice, or (c) subjecting the Debtor to confirmation deadlines; and granting such other further appropriate relief.

Dated: March 13, 2023

Respectfully submitted,

William T. Neary
United States Trustee

/s/ Marcus F. Salitore
Assistant United States Trustee
Texas Bar 24029822
300 Plaza Tower
110 N. College
Tyler, Texas 75702
(903) 590-1450 Ext. 216

Certificate of Service

The undersigned hereby certifies that a copy of the foregoing document was served on the following listed persons through the court's electronic notification system as permitted by Appendix 5005 to the Local Rules of the U.S. Bankruptcy Court for the Eastern District of Texas, or by first class United States Mail, postage prepaid, no later than March 14, 2023.

/s/ Marcus F. Salitore

DEBTOR:

Danestar LLC
10205 Cedar Breaks Vw
McKinney, TX 75072

DEBTOR'S COUNSEL:

Ivan Turingan
Curtis Law PC
901 Main Street
Suite 6515
Dallas, TX 75202

SUBCHAPTER V TRUSTEE:

Mark A. Weisbart
10501 N. CENTRAL EXPY., STE. 106
DALLAS, TEXAS 75231

NOTICES OF APPEARANCE:

Marvin E. Sprouse III
Sprouse Law Firm
901 Mopac Expressway South
Building 1, Suite 300
Austin, TX 78746

MATRIX FOLLOWS:

Label Matrix for local noticing

0540-4

Case 22-41449

Eastern District of Texas

Sherman

Mon Mar 13 12:31:46 CDT 2023

Imperative Chemical Partners

201 W Wall St.

Suite 900

Midland, TX 79701-4532

Seatex LLC (f/k/a ChemQuest Chemicals)

445 TX-36 N

Rosenberg, TX 77471

TankLogix

12200 West Highway 80 East

Odessa, TX 79765-9610

US Trustee

Office of the U.S. Trustee

110 N. College Ave.

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Tyler, TX 75702-7231

Comptroller of Public Accounts

C/O Office of the Attorney General

Bankruptcy - Collections Division MC-008

PO Box 12548

Austin TX 78711-2548

Imperative Chemical Partners, Inc.

c/o Sprouse Law Firm

901 Mopac Expwy South

Bldg 1, Ste 300

Austin, Texas 78746-5776

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Dallas, TX 75202-3782

Mark A WEISBART (SBRA V)

Subchapter V Trustee

10501 N Central Expy Suite 106

Dallas, TX 75231-2203

Danestar LLC

10205 Cedar Breaks Vw

McKinney, TX 75072-8968

Marcus Salitore

US Trustee Office

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80 East

Odessa, TX 79765

U.S. Attorney General

Department of Justice

Main Justice Building

10th & Constitution Ave., NW

Washington, DC 20530-0001

The following recipients may be/have been bypassed for notice due to an undeliverable (u) or duplicate (d) address.

(d)Imperative Chemical Partners

201 W Wall St, Suite 900

Midland, TX 79701-4532

(d)Seatex LLC f/k/a ChemQuest Chemicals

445 TX-36 N

Rosenberg, TX 77471

End of Label Matrix

Mailable recipients 13

Bypassed recipients 2

Total 15